THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) and (b) Information is being collected and will be laid on the Table of the House.

Proposal received for NRI and Tax-Free Bonds from Sardar Sarovar Narmada Nigam Limited

2084. SMT. ANANDIBEN JETHABHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal received form the Sardar Sarovar Narmada Nigam Limited for approval of issue of NRI Bonds and Tax Free Bonds pending with the Central Government; and

(b) if so, what decision has been taken thereon and when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) Yes Sir. Sardar Sarovar Narmada Nigam Ltd. (SSNNL) had sought permission to issue tax-free bonds as well as bonds to NRIs on repartiable basis. According to current policy, issue of tax-free bonds is restricted to only those undertakings which are wholly or partly owned by Central Government. Hence, Sardar Sarovar Narmada Nigam Limited was advised that it could consider issuing taxable bonds to domestic and NRI investors subject to the guidelines of the Securities and Exchange Board of India in this regard.

Financial Institutions to buy shares in Cosmatic companies

2085. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to state:

(a) what are the circumstances for financial institutions to buy shares in cosmetic companies, hotels, etc.;

(b) whether it is a fact that large capital is being blocked in such companies;

(c) whether Government will review the necessity of scarce capital being held up in non-priority sector companies; and

(d) whether any decision will be taken to review this policy of buying equity without any public purpose.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) Industrial Development Bank of India (IDBI) has reported that financial institutions (FIs) such as IDBI and Industrial, Finance Corporation of India Ltd. (IFCI) invest in equity of Industrial units as a part of their normal project financing operations. The magnitude of investment in equity of industrial units depends upon the means of finance of the project and the commercial assessment of the FIs.

IDBI has also reported that it has no shareholding in cosmetic manufacturing companies. The investment by IDBI in share capital of hotels works out to about 0.6% of the total shareholding of IDBI in companies. IFCI has reported that its investment in share capital of hotel and tourism related companies and detergent units was about 0.7% of the total assets of IFCI as on 31.3.1995.

(c) and (d) Do not arise.

Effect of Abolition of Target Values on Different Types of Yarn

2086. SHRI SUNDER SINGH BHANDARI: Will the Minister of FINANCE be pleased to state:

(a) the additional burden on domestic textile industry due to abolition of tariff values both on polyester yarn and texturised yarn;

(b) what will be the effect on prices of twisted and dyed yarn; and

(c) in what manner Government propose to meet the difficulties being faced by integrated producers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a)